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ABSTRACT

In France, career paths are negotiated not just on the industry level but also within companies. Since the passage in 1982 of the Auroux Laws, which require companies to undertake annual negotiations regarding real wages, real working hours, and the organization of work time, there has been a trend toward creation of individualized career paths. The criteria for career advancement have also changed. Career advancement is no longer based on seniority alone but is instead becoming increasingly dependent on the competencies that individual workers have acquired within their companies. The growing emphasis on employee competencies has increased the importance of continuing education and training and has also increased the importance of experience and versatility among the criteria for advancement. Larger French companies have already begun developing very comprehensive arrangements for individualizing forms of employee advancement and creating a mechanism to recognize competencies acquired through training within the job classification system. At many companies, however, the practice of individualizing career paths coexists with more traditional forms of advancement through seniority. A whole group of evaluation grids must now be created to ensure that employee competencies are based on more objective criteria. (MN)

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From Seniority to Employee Competences: A New Approach to Negotiating Career Paths

In France, careers are not simply negotiated on the Industry level but also within the companies. In the years that followed the 1982 Auroux Laws, a new phenomenon could be observed: the creation of increasing numbers of individualised career paths. The criteria are also changing. They are no longer based solely on the idea of seniority but also on the competences acquired within the company. Thus, continuing training, experience and versatility are becoming determinant elements of employee advancement. But such a transition requires the creation of a whole group of evaluation grids in order to base these competences on more objective criteria.

Work relations in France were formalised at the end of the nineteenth century on the basis of the opposition between unions and management. From the Law of February 1950 to the Auroux Laws of 1982, legislators structured the collective bargaining system by institutionalising various levels of negotiation (industry, company, interoccupational).[1] The industrial relations system privileges the national level as a site of economic and social regulation. Collective agreements, which are elaborated on the occupational branch level[2], establish rules concerning employment conditions in the occupation on the basis of agreements between employers' and union organisations. In such a system, the role of company bargaining is reduced, insofar as management and union organisations consider the branch as the sole level for collective bargaining. The employers' organisations, which dominate negotiation on the highest level, have carefully avoided recognising the union local within the company in order to ensure its neutrality and isolate it from the expression of conflicts. In addition, the structuring of French unionism on a dual geographical and industrial basis does not recognise the company as a unit of organisation. Union organisations exercise their prerogative over the standardisation of employment and remuneration conditions on the branch level. In a period of declining unionism and deunionisation, the national framework of union activity is an important issue in terms of wages because it is on this centralised level that unions are able to exercise pressure to limit wage disparities and impose a certain order on work and wages. The impetus provided by the Auroux Laws led to a structuring of company bargaining and a legitimation of the union player without calling into question the influence of the State and branch negotiations in work relations. By reaffirming the role of the unions in social relations within the company, the decentralisation of collective bargaining legitimates union activities insofar as the unions become privileged interlocutors of company management in required annual negotiations on issues related to workforce management policy.

The Company as the Key to Managing Competences

The complexity of the occupational relations system is underscored by the fact that negotiation on one level does not exclude negotiation on another. The primacy of the branch in terms of elaborating classification grids does not prevent the company from being a relevant site for managing classification systems. The company imple-

1. The Auroux Laws require companies to undertake annual negotiations on real wages, real working hours and the organisation of work time.

2. See the note in Focus, p. 7.

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ments these systems at the time of hiring, and branch rules are adapted or even suspended in favour of the classification grids established by the company. The changing role of the classification dimension in company bargaining reflects on the one hand a new form of linkage between branch grid and classifications management within the company and on the other, the shift from a logic of work-station categories to one of grading jobs in function of the competences required. The change from the Parodi grids to those with classification criteria marks a first shift in terms of the relation between branch and company. It affirms the company's primacy in the management of competences through the distribution of jobs on the different levels of the classifications grid. The Parodi grids are based on a strict logic of categories that establish exhaustive hierarchical lists of occupations and work stations within distinct tracks. The grids with classifying criteria negotiated on the branch level since the late 1970s are based on the definition of qualifications levels according to a series of fixed criteria which are identical for each level (responsibility, autonomy, nature of the activity, level of knowledge, etc.). The logic of classifying work stations is thus replaced by a more flexible logic reflecting the desire to increase the company's autonomy in a context of radical technological and organisational changes. The new forms of the activity carried out and analysed (job rather than work station) allow for a shift from a definition of the work station in terms of tasks to be accomplished to that of competences in terms of the behavioural abilities or aptitudes needed to hold a given job.

A second shift has occurred in terms of the management of competences, which involves classifying individuals on the grid independently of the function they fulfill.

A Database for the Company Agreements

These results come from statistical use of the ACCENT database, a mechanism for systematic, ongoing analysis of company agreements on classifications, vocational training and employment signed during the first half of the civil year. This database was jointly created in 1991 by the Department of Labour Relations and Céreq. Its aim is to bring out the major trends in company bargaining on these issues, the negotiating process dynamic and the interaction between the different levels of intervention among the social partners. The statistical tool includes an analytical grid composed of 250 variables and modalities, a company identification form and three units relating to the three issues of negotiation: classification, vocational training and employment. The review of the company agreements is carried out by the regional departments of labour and employment. The results of these statistical analyses are added annually to the collective bargaining overview published by the Department of Labour Relations at La Documentation Française. The proportion of agreements relating to classifications, vocational training and employment relative to the total number of agreements negotiated in France over the last three years has varied between 9 and 15 percent.

This form of managing competences allows for an individualised career path which no longer depends on the availability of the post to be filled. This new system introduces a principle of individualised careers and the determination of the classification in terms of individual competences.

The emergence of this new model of workforce management oriented around competences develops or coexists with a model of management by work station which bases advancements within the occupational hierarchies on seniority. These new issues are making their way into company agreements through the spread of individualisation practices in career management and procedures for evaluating competences.

The Content of Company Bargaining on Classifications

In 1994, negotiation on classifications generated a significant volume of agreements, notably 196 negotiated texts.[2] The classification agreements were mainly negotiated in large industrial companies located in the Paris area and the Rhône-Alpes region. Negotiation on classifications targets individualised management of employee careers through the development of their occupational know-how and the means of access to and advancement within the company's job hierarchies. Individualisation is introduced through vocational training and considerable recourse to individual procedures for assessment of competences.

Creating Career Paths

Agreements relating to structural modifications of the classification system account for 62.2 percent of the texts negotiated (see Table). The attempt to create career paths involves three major subjects of negotiation: modifying occupational or job category tracks, developping a new classification grid and procedures for assessing jobs. Modifications of occupational tracks are negotiated in one out of every four agreements in the context of developping rules to codify career paths. These changes are aimed at considerably restructuring occupational hierarchies in the job category tracks, either by opening the track towards the top and developping crossovers between categories or by creating new occupational tracks.

Texts developping a new classifications grid constitute 16.3 percent of the agreements. These texts call for a revision of the classification system through the creation of a new company classification grid or the application of the branch grid. In most cases, grids with classifying criteria replace the Parodi grids, which have little relevance

2. See the box below on the determination of the sampling of agreements analysed.

to the changes in occupations and professional know-how that companies are undergoing. A large percentage of the company agreements (51 %) refer to a branch agreement, but the measures negotiated relate to structural modifications other than those proposed by the branch rules.

Subjects of Negotiation among the 196 Classification Agreements Reached January-June 1994

Issues*	No. of Employees	%
MODIFICATION OF WAGE SYSTEM**	46	23.4
MODIFICATION OF CLASSIFICATION GRID STRUCTURE	122	62.2
- Creation or modification of tracks by occupation or job category	42	21.4
- Development of new classification grid	32	16.3
- Crossovers between tracks	9	4.5
- Modification of coefficients	53	27.0
- Assessment of posts and competences	25	12.7
- Redefinition of jobs	28	14.2
MODIFICATION OF RULES FOR ACCESS AND ADVANCEMENT	104	53.0
- Access threshholds for diploma-holders	15	7.6
- Modes of access and advancement	84	42.8
• Diploma	23	11.7
• Work experience	42	21.4
• Vocational training	41	20.9
• Automatic access and advancement	50	25.5
• Polyvalence	9	4.5
- Individual assessment procedures	57	29.0

Sources: Céreq, ACCENT database 1994.

* An agreement can deal with several subjects of negotiation. Therefore the total percentage does not equal 100.

** This table analyses the frequency of the appearance of variables. Thus, 46 classification agreements address the modification of the wage system, and this corresponds to 23.4 percent of the total agreements negotiated during the first six months of 1994.

In 1994, there were many agreements changing the position of jobs or individuals in the classification grid through an assessment of jobs or competences in conjunction with a redefinition of the jobs (27.2 %). These approaches are related to the application of grids with classifying criteria which permit the companies to define groups and levels of employment. They involve identifying and describing the activities of each job in order to determine the competences they require. On the basis of this analysis, a grid of classification groups is established criterion by criterion. The individual is placed in a given job according to a classification level which is determined by comparing his or her competences to those required by the job. The principle of classifying individuals in the grid independently of the function they occupy is the most original feature of this model.

Individualised Dynamics of Advancement

The modification of tracks involves establishing hierarchies between the jobs through technical processes of situating jobs in relation to one another. The management of career paths is based on the definition of the means of access and advancement of employees in these tracks. These subjects were negotiated in more than half the 1994 agreements. Training, polyvalence and the improvement of competences are the main factors accelerating advancement within a single classification level. Companies organise skilling paths which allow employees to advance on the coefficient scale independently of access to an available job. Advancement no longer depends solely on the mastery of a work station but on the acquisition of new competences. Through training, employees gain access to levels of autonomy, responsibility or polyvalence in the exercise of the work activity which are recognised and validated on the coefficient scale. This introduces a dimension of professional development into the job and an evolution within the classification groups. Such an advancement within occupational hierarchies based on a recognition of competences acquired through vocational training is treated in 20.9 percent of the classification agreements. In 11.7 percent of the cases, access to a new job is sanctioned by the acquisition of a diploma, which is introduced through the definition of threshholds of access for diploma-holders, while 21.3 percent of the agreements establish the advancement of employees through the recognition of competences acquired on the job.

These practices of individualisation in the forms of advancement have not spread throughout all the companies. Indeed, they coexist with more traditional forms of advancement through seniority. This model of career management, based on the recognition of experience within the company, was long dominant in France. Nearly one-quarter of the 1994 classification agreements based employee careers on advancement through seniority.

The creation of career paths based on individualised forms of advancement allows for a differentiated management of individual careers. In this respect, vocational training has recently undergone a change of status, whereby it is seen as an indispensable tool for the development of competences and individualised careers rather than a factor of adjustment. As a result, classification agreements are often mixed agreements, including a training component. These very comprehensive arrangements are found in large companies which create channels of mobility by individualising forms of employee advancement and creating a mechanism to recognise competences acquired through training within the classi-

fication system. The separation of the individual and the work station within the forms of advancement is an essential element of these agreements. These dynamics of advancement bolster the introduction of more individualised assessment procedures based on guidelines which define the knowledge required by the jobs.

An Agreement Negotiated in a Large Automobile Repair Company

A mixed (training/classification) agreement negotiated in a large automobile repair company in 1994 and dealing with employees' professional development combines a guarantee of career growth for each employee with a separation of the job and the individual in the career path through the recognition of competences acquired through vocational training. The stated objective of the agreement is the growth of the company based on the adaptation and ongoing improvement of vocational qualification through forward-looking management of careers and continuing training. For each category of personnel, this agreement defines the means of advancing from one coefficient to another and the crossovers between the job category tracks instituted. It introduces a vocational trial for workers and technicians after five years on the job in order to determine access to continuing training and the higher coefficient. At the same time, a vocational guidance procedure determines individualised vocational training paths and the conditions of access to the supervisor category on the basis of the employees' anticipated development. This procedure is based on the idea of functional mobility, defined as the employee's ability to hold different jobs of equivalent or greater complexity in his or her track or related tracks during the course of working life. Forward-looking career management implies career development in function of demonstrated competences and advancement guaranteed by the expansion of competences.

The implementation of this management of competences depends on a weighing of posts in order to measure their growing level of complexity and identify their content and position in the company organisation on the basis of objective criteria. This approach is also based on the creation of procedures for individual guidance interviews which determine the training activities to be undertaken. A career committee examines employee development potential and career paths and determines the skilling programmes to be set up.

Individual Procedures for Assessing Competences

Nearly one out of every three agreements deals with recourse to individual procedures for evaluating competences which accompany the development of rules for access and advancement within occupational tracks. The creation of systems for assessing competences which include both the definition of objective criteria for individual evaluation and recourse to individual interview procedures is involved in 14.2 percent of the agreements. These assessment procedures, whether they occur before access to training or at its conclusion, are regularly associated with the definition of rules for establishing career paths based on the acquisition of new competences by training and certification.

Different measures coexist, combining hierarchy-determined advancement in the classification system, notably in companies governed by a public-service type classification system, where advancement depends on merit and seniority, and more individualised systems calling for the definition of objective criteria and a personal interview. The career record book emerges as a tool for following the employee's professional development. Indeed, it accompanies the employee throughout his or her professional evolution in the company. It records the employee's objectives for professional advancement, training activities undertaken in relation to this advancement and the company's assessment and validation.

The new company practices spreading within negotiations on classifications suggest a new management model in which vocational training and competences tend to replaces ideas of seniority and qualification. Out of all the agreements aimed at creating collective rules of access and advancement in occupational tracks based on the improvement of individual competences through vocational training, polyvalence or work experience, more than half deal with these subjects of negotiation.

Nathalie Quintéro

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